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Attached is a list of those claims that I believe to be patentable over the prior art and would like to discuss with you at our interview.

JZ

12/12/03

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CLAIMS TO BE DISCUSSED

Distinguishing Recitations in Bold.

Claims to be deleted 2, 10, 11, 28, 29, 30-34, 36, 41 and 44-46.

Claim 36 = 35. (Amended) A method of allocating an investment among a population of securities, each security of said population having at least one corresponding data element, said method comprising the steps of:

- a) assigning each security of said population to a corresponding one industry group of a plurality of industry groups;
- b) summing said data element of each security of said one industry group to provide an industry total of the data elements of said one industry group;
- c) allocating an industry allocation to a selected number of securities of said one industry group; [and]
- d) determining the magnitude of said industry total of said one industry and setting said number of securities in accordance with said magnitude of said industry total of said one industry group[.] ; and
- e) comparing said industry total of said one industry group with a first limit and, if less, allocating said industry allocation of said one industry group to at least one security of said one industry group, and if said industry total of said one industry group is greater than said first limit, allocating said industry allocation to at least two securities of said one industry group.

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37. The method of claim 35, wherein there is further included the step of reiteratively comparing said industry allocation of said one industry group with at least first and second limits, said second limit being greater than said first limit; if said industry allocation of said one industry group is greater than said first limit, allocating said industry allocation of said one industry group among a first number of securities of said one utility group; and if said industry allocation of said one industry group is greater than said second limit, allocating said industry allocation of said one industry group among a second number of securities of said one industry group, said second number being greater than said first number.

38. A method of allocating an investment among a population of securities, said method comprising the steps of:

- a) assigning each security of said population to a corresponding one industry group of a plurality of industry groups;
- b) summing the value of each security of said one industry group to provide an industry total of said one industry group;
- c) comparing said industry total of said one industry group with a limit of a selected magnitude and, if less, allocating an industry allocation of said one industry group to at least one security of said one industry group;
- d) if said industry total of said one industry group is greater than said limit, allocating said industry allocation of said one industry group to at least two securities of said one industry group; and

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e) setting said limit to a given magnitude, whereby said industry allocation to any one security of said one industry group may not exceed said given magnitude.

39. A method of claim 38, wherein there is further included the step of comparing said industry total of said one industry group with a second limit and, if greater, allocating said industry allocation of said one industry group to at least three securities, said magnitude of said second limit being set to a magnitude equal to twice said given magnitude, whereby said industry allocation to any security of said one industry group may not exceed said given magnitude.

40. (Amended) A method of allocating an investment among a population of securities, each security having at least one corresponding updatable data element, said method comprising the steps of:

- 6 x 7
- a) assigning each security of said population to a corresponding industry group of a plurality of industry groups;
 - b) summing said data element of each security of said population to provide an industry total of the data element for each of said corresponding industry groups and an universe total of the data elements of each security of said population;
 - c) allocating an industry allocation to each to each industry group of said plurality; [and]
 - d) repeat step a) of assigning at selected times to accurately account for those securities which have changed their industry[.] ;
- x d. 2
x d. 1

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e) accessing a real time source of the current value of said data element of each security of said population and updating at selected times the values of said data elements of said securities of said population; and

f) updating on a periodic cycle the data elements of at least some of said securities of said population.

3. (Twice Amended) The method of claim [2] 40, wherein said updating step updates on a fixed cycle all of said data elements of securities of said population.

4. (Amended) The method of claim 40, wherein said step d reassigns on a periodic cycle the industry of the securities of each of said plurality of industry groups.

5. (Amended) The method of claim 4, wherein the industry of the securities of each industry group is reassigned on a different periodic cycle.

6. (Amended) The method of claim 4, wherein said plurality of securities are subdivided into a plurality of editions.

7. (Amended) The method of claim 6, wherein each edition of said plurality is reassigned on a cycle that is staggered from the cycles of the other editions of said plurality.

42. A method of allocating an investment among a population of securities, each security of said population having at least one corresponding data element, said method comprising the steps of:

a) assigning each security of said population to a corresponding one industry group of a plurality of industry groups;

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- b) summing said data element of each security of said one industry group to provide an industry total of the data elements of said one industry group;
- c) allocating an industry allocation to a plurality of securities of said one industry group; and
- d) determining whether one of said plurality of securities of said one industry group is greater than another of said plurality of securities of said one industry group by a predetermined amount and, if not, allocating said industry allocation substantially equally to said one and said other securities of said one industry group.

43. The method of claim 42, wherein if said one security is greater than said other security of said one industry group by more than said predetermined amount, allocating said allocation only in the greater of said one and said other securities.

47. A method of allocating an investment among a population of securities, each security having at least one corresponding data element, said method comprising the steps of:

- a) assigning each security of said population to a corresponding one industry group of a plurality of industry groups;
- b) summing said data element of each security of said population to provide an industry total of the data elements of each of said corresponding industry groups of said plurality and a universe total of the data elements of each security of said population; and
- c) dividing selectively an industry allocation into at least first and second parts;

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d) allocating said first and second parts selectively among two of said corresponding securities of said one industry group having the largest data elements; and

e) comparing said first part to a set amount and, if less than or equal to said set amount, said first part is set equal to said set amount. —

16. (Amended) The method of claim 47, wherein there is included a step of limiting said first part so as not to exceed a set amount.

17. (Amended) The method of claim 16, wherein said set amount is set as a proportion of said universe total.

18. (Amended) The method of claim 15, wherein said proportion is 2.25%.

19. (Amended) The method of claim 16, wherein there is included a step of comparing said first part to said set amount and, if less than or equal to said set amount, said first part is set equal to said set amount.

20. (Amended) The method of claim 47, wherein there is further included a step of ranking at least two of said securities of said corresponding industry group according to the magnitude of their data elements to provide at least first and second ranked securities.

22. (Amended) The method of claim 21, wherein if said first ranked security is not larger than said second ranked security by said certain amount, said allocating step allocates said first part equally among said first ranked security and said second ranked security.

23. (Amended) The method of claim 47, wherein there is further included a step of setting at least first and second limits as different whole multiples of said set amount respectively.

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24. (Amended) The method of claim 23, wherein said second limit is greater than said first limit, and there is further included the step of **comparing said industry allocation to said first limit and, if greater, setting said first part equal to said set amount and allocating said first part to a first security of said one industry group.**

25. (Amended) The method of claim 23, wherein **if said industry allocation is less than said first limit, setting said first part to less than said set amount and allocating said first part to a first security of said one industry group.**

26. (Amended) The method of claim 24, wherein **if said industry allocation is greater than said first limit, comparing said industry allocation to said second limit and, if less, setting said second part equal to said set amount and allocating said second part to a second security of said one industry group.**

27. (Amended) The method of claim 26, wherein **if said industry allocation is greater than said second limit, setting a third part of said industry allocation equal to said set amount and allocating said third part to a third security of said one industry group.**